

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01580A  
Tonto Village Water Company  
P. O. Box 9116  
Mesa AZ 85214

**RECEIVED**

MAR 30 2004

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2003
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FOR COMMISSION USE

Ann04	03
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## COMPANY INFORMATION

**Company Name (Business Name)** TONTO VILLAGE WATER CO., INC.

**Mailing Address** P. O. Box 9116

(Street)

Mesa

(City)

AZ

(State)

85214-9116

(Zip)

(9280 478-4176

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** tvwc@tvwc.biz

**Local Office Mailing Address** P. O. Box 9116

(Street)

Mesa

(City)

AZ

(State)

85214-9116

(Zip)

(928) 478-4176

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** tvwc@tvwc.biz

## MANAGEMENT INFORMATION

**Management Contact:** Ronald D. Standage President

(Name)

(Title)

2058 E. Winchester

Chandler

AZ

85249

(Street)

(City)

(State)

(Zip)

(480) 792-9187

(602) 509-8546

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** tvwc@tvwc.biz

**On Site Manager:** Jerry Bauler

(Name)

HC-7, Box 181-D

Payson

AZ

85541

(Street)

(City)

(State)

(Zip)

(928) 478-4128

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Ronald D. Standage  
(Name)

2058 E. Winchester

(Street)

(480) 792-9187

Telephone No. (Include Area Code)

Chandler

(City)

Fax No. (Include Area Code)

AZ

(State)

(602) 509-8546

Pager/Cell No. (Include Area Code)

85249

(Zip)

**Attorney:** Gove L. Allen

(Name)

935 E. Main St., #101

(Street)

(480) 964-0141

Telephone No. (Include Area Code)

Mesa

(City)

Fax No. (Include Area Code)

AZ

(State)

85203

(Zip)

Pager/Cell No. (Include Area Code)

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

**UTILITY PLANT IN SERVICE**

<b>Acct No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	3,465.72	0.00	3,465.72
304	Structures and Improvements			-
307	Wells and Springs	11,120.87	8,926.54	2,194.33
311	Pumping Equipment	15,598.27	11,483.19	4,115.08
320	Water Treatment Equipment	2,779.94	1,988.47	791.47
330	Distribution Reservoirs and Standpipes	26,430.69	22,527.48	3,903.21 -
331	Transmission and distribution Mains	46,101.34	38,505.04	7,596.30
333	Services			-
334	Meters and Meter Installations	10,989.80	7,509.99	3,479.81
335	Hydrants			-
336	Backflow Prevention Devices			-
339	Other Plant and Misc Equipment	3,064.47	2,464.94	599.53
340	Office Furniture and Equipment	2,079.63	1,716.00	363.63
341	Transportation Equipment			-
343	Tools, Shop and Garage Equipment	164.00	164.00	-
344	Laboratory Equipment			-
345	Power Operated Equipment			-
346	Communication Equipment			-
347	Miscellaneous Equipment			-
348	Other Tangible Plant			-
	<b>TOTALS</b>	<b>121,794.73</b>	<b>95,285.65</b>	<b>26,509.08</b>

This amount goes on the Balance Sheet Acct. No. 108

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Accumulated Percentage (2)</b>	<b>Depreciation Expense (1X2)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	3,465.72		
304	Structures and Improvements			
307	Wells and Springs	11,120.87	-	0.00
311	Pumping Equipment	15,598.27	0.0244258	381.00
320	Water Treatment Equipment	2,779.94	0.0500011	139.00
330	Distribution Reservoirs and Standpipes	26,430.69	0.0049942	132.00
331	Transmission and distribution Mains	46,101.34	0.0005423	25.00
333	Services			
334	Meters and Meter Installations	10,989.80	0.0171068	188.00
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc Equipment	3,064.47	0.0336110	103.00
340	Office Furniture and Equipment	2,079.63	0.1995547	415.00
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	164.00	-	-
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>121,794.73</b>		<b>1,383.00</b>

This amount goes on Comparative Statement of Income and Expense

Acct. No. 403.

<b>COMPANY NAME</b>	TONTO VILLAGE WATER CO., INC.
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### **BALANCE SHEET**

<b>Acct. No.</b>	<b>ASSETS</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 5,908.30	\$ 3,481.89
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 5,908.30	\$ 3,481.89
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ -	\$ -
103	Property Held for Future Use	121,068.90	121,794.73
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	(93,902.65)	(95,285.65)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 27,166.25	\$ 26,509.08
	<b>TOTAL ASSETS</b>	\$ 33,074.55	\$ 29,990.97

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ -	\$ -
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1,247.40	1,445.58
236	Accrued Taxes	95.00	45.00
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 1,342.40	\$ 1,490.58
	<b>LONG -TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ -	\$ -
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ -	\$ -
252	Advances in Aid of Construction	2,435.63	2,727.75
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 2,435.63	\$ 2,727.75
	<b>TOTAL LIABILITIES</b>	\$ 3,778.03	\$ 4,218.33
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 54,922.80	54,922.80
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(25,626.28)	(29,150.16)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 29,296.52	\$ 25,772.64
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 33,074.55	\$ 29,990.97

### COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 21,742.95	\$ 21,789.47
460	Unmetered Water Revenue		
474	Other Water Revenues	448.45	282.99
	<b>TOTAL REVENUES</b>	<b>\$ 22,191.40</b>	<b>\$ 22,072.46</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 6,000.00	\$ 7,800.00
610	Purchased Water		
615	Purchased Power	4,419.95	3,966.55
618	Chemicals		
620	Repairs and Maintenance	409.42	1,321.94
621	Office Supplies and Expense	1,832.79	2,888.78
630	Outside Services	4,475.00	3,795.00
635	Water Testing	690.50	917.28
641	Rents		
650	Transportation Expenses	207.36	588.88
657	Insurance - General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	357.11	801.11
403	Depreciation Expense	1,401.00	1,383.00
408	Taxes Other Than Income	598.50	642.88
408.11	Property Taxes	1,280.30	1,269.67
409	Income Tax	45.00	221.25
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 21,716.93</b>	<b>\$ 25,596.34</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 474.47</b>	<b>\$ (3,523.88)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ -	\$ -
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 474.47</b>	<b>\$ (3,523.88)</b>



COMPANY NAME

TONTTO VILLAGE WATER CO., INC.

**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	NONE			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 2,727.75

Meter Deposits Refunded During the Test Year

\$ 409.38

COMPANY NAME

TONTA VILLAGE WATER CO., INC.

**WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-627909	1 1/4	17	223' 6"	8"	1.25	1957
55-627911	1 1/4	17	80'	6"	1.25	1968
55-627912	1 1/4	17	340'	5"	1.25	1987

- Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NONE		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2 hp	3	None	None

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
34,000 gal	1	2,000 gal	1
10,000 gal	2	1,000 gal	1
2,000 gal	1		

COMPANY NAME TONTO VILLAGE WATER CO., INC.

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	ABS & PVC	5,550
3	ABS & PVC	2,270
4	ABS	1,710
5		
6	PVC	5,395
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	194
3/4	
1	
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

**TREATMENT EQUIPMENT:**

3 - Chlorinators (not in use)

**STRUCTURES:**

3 - Pumphouses  
Fencing around all wellsites

**OTHER:**

COMPANY NAME: TONTO VILLAGE WATER CO., INC.

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED
JANUARY	181	541,160	328,350
FEBRUARY	188	-0-	443,960
MARCH	186	838,650	569,750
APRIL	186	676,690	612,340 * Est.
MAY	185	971,290	1,104,420
JUNE	186	1,156,870	1,220,850
JULY	188	1,164,310	1,261,740
AUGUST	190	792,490	883,200
SEPTEMBER	189	650,470	764,050
OCTOBER	189	619,400	652,920
NOVEMBER	188	362,470	503,100
DECEMBER	189	379,720	455,040
TOTAL		N/A	8,799,720

\* Meter on well failed. Replaced 5/2/2003.

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes (x) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes (xx) No

If yes, provide the GPCPD amount:\_\_\_\_\_

What is the level of arsenic for each well on your system. <0.003 mg/l

(If more than one well, please list each separately)

for each of 3 wells

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

**COMPANY NAME** TONTO VILLAGE WATER CO., INC. **YEAR ENDING 12/31/2003**

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 1,269.67

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

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THIS CHECK IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS	
DATE	AMOUNT
927-41-012-7	
TOTAL OF INVOICES	
LESS % DISCOUNT	
LESS	
TOTAL DEDUCTIONS	
AMOUNT OF CHECK	

02-2nd-35192  
**TONTO VILLAGE WATER CO., INC.**  
 P. O. BOX 9116 PH. 480-807-5900 928-474-6601  
 MESA, AZ 85214-9116

2798

DATE 4-20-03

91-527-769  
1221

PAY  
TO THE  
ORDER OF

Gila County TREASURER \$ 645<sup>89</sup>  
 Six Hundred Forty-five and <sup>89</sup>/<sub>100</sub> — DOLLARS



Wells Fargo Bank Arizona, N.A.  
 305 East Main St.  
 Mesa, AZ 85201  
 www.wellsfargo.com

*[Signature]*

⑈002798⑈ ⑆122105278⑆0817504020⑈

⑈0000064589⑈

THIS CHECK IS DELIVERED FOR PAYMENT ON THE FOLLOWING ACCOUNTS	
DATE	AMOUNT
155 Gila 2003	
927-41-012-7	
TWCO	623 <sup>78</sup>
TOTAL OF INVOICES	
LESS % DISCOUNT	
LESS	
TOTAL DEDUCTIONS	
AMOUNT OF CHECK	

42 35375  
**TONTO VILLAGE WATER CO., INC.**  
 P.O. BOX 9116 PH. 928-474-6601  
 MESA, AZ 85214-9116

2860

DATE 10-10-03

91-527-769  
1221

PAY  
TO THE  
ORDER OF

Gila Co. TREASURER \$ 623<sup>78</sup>  
 Six Hundred Twenty-three and <sup>78</sup>/<sub>100</sub> — DOLLARS



Wells Fargo Bank Arizona, N.A.  
 305 East Main St.  
 Mesa, AZ 85201  
 www.wellsfargo.com

*[Signature]*

⑈002860⑈ ⑆122105278⑆0817504020⑈

⑈0000062378⑈

COMPANY NAME TONTO VILLAGE WATER CO., INC.

YEAR ENDING 12/31/2003

INCOME TAXES**RECEIVED**

MAR 30 2004

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>(3,523.88)</u>
Estimated or Actual Federal Tax Liability	<u>0.00</u>

**W CORPORATION COMMISSION  
DIRECTOR OF UTILITIES**

State Taxable Income Reported	<u>(3,523.88)</u>
Estimated or Actual State Tax Liability	<u>45.00</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>                    </u>
Amount of Gross-Up Tax Collected	<u>                    </u>
Total Grossed-Up Contributions/Advances	<u>                    </u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Ronald D. Standage  
SIGNATURE

26 March 2004  
DATE

RONALD D. STANDAGE  
PRINTED NAME

PRESIDENT  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**

MAR 30 2004

**ARIZONA CORPORATION COMMISSION  
DIRECTOR OF UTILITIES**

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Maricopa
NAME (OWNER OR OFFICIAL) TITLE Ronald D. Standage, President
COMPANY NAME Tonto Village Water Co., Inc.

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

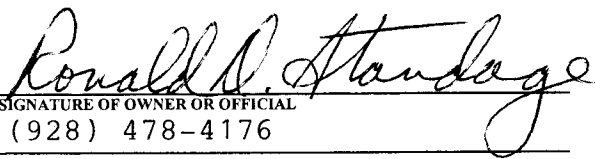
Arizona IntraState Gross Operating Revenues Only (\$)

\$ 23,174.29

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 1,384.82

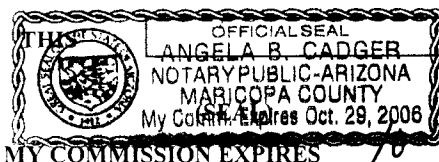
IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

  
SIGNATURE OF OWNER OR OFFICIAL  
(928) 478-4176  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



DAY OF

COUNTY NAME Maricopa	
MONTH 3-26	2004

  
SIGNATURE OF NOTARY PUBLIC